

STATE OF SOUTH CAROLINA

(Caption of Case)

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

COPY
Posted: led
Dept: S.A.
Date: 8/11/10
Time: 1:00

DOCKET/NDI

NUMBER:

2010 - 275 - C
2008 - 135 - C
1991 - 70 - C

(Please type or print)

Submitted by: Scott Elliott

SC Bar Number: 1872

Address: 721 Olive Street

Telephone: 803-771-0555

Columbia SC 29205

Fax: _____

Other: _____

Email: sellriott@elliottlaw.us

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition

☐ Request for item to be placed on Commission's Agenda expeditiously

☐ Other: _____

| INDUSTRY (Check one) | NATURE OF ACTION (Check all that apply) | | |
|--|--|--|--|
| <input type="checkbox"/> Electric | <input type="checkbox"/> Affidavit | <input type="checkbox"/> Letter | <input type="checkbox"/> Request |
| <input type="checkbox"/> Electric/Gas | <input type="checkbox"/> Agreement | <input type="checkbox"/> Memorandum | <input type="checkbox"/> Request for Certification |
| <input type="checkbox"/> Electric/Telecommunications | <input type="checkbox"/> Answer | <input type="checkbox"/> Motion | <input type="checkbox"/> Request for Investigation |
| <input type="checkbox"/> Electric/Water | <input type="checkbox"/> Appellate Review | <input type="checkbox"/> Objection | <input type="checkbox"/> Resale Agreement |
| <input type="checkbox"/> Electric/Water/Telecom. | <input checked="" type="checkbox"/> Application | <input type="checkbox"/> Petition | <input type="checkbox"/> Resale Amendment |
| <input type="checkbox"/> Electric/Water/Sewer | <input type="checkbox"/> Brief | <input type="checkbox"/> Petition for Reconsideration | <input type="checkbox"/> Reservation Letter |
| <input type="checkbox"/> Gas | <input type="checkbox"/> Certificate | <input type="checkbox"/> Petition for Rulemaking | <input type="checkbox"/> Response |
| <input type="checkbox"/> Railroad | <input type="checkbox"/> Comments | <input type="checkbox"/> Petition for Rule to Show Cause | <input type="checkbox"/> Response to Discovery |
| <input type="checkbox"/> Sewer | <input type="checkbox"/> Complaint | <input type="checkbox"/> Petition to Intervene | <input type="checkbox"/> Return to Petition |
| <input type="checkbox"/> Telecommunications | <input type="checkbox"/> Consent Order | <input type="checkbox"/> Petition to Intervene Out of Time | <input type="checkbox"/> Stipulation |
| <input type="checkbox"/> Transportation | <input type="checkbox"/> Discovery | <input type="checkbox"/> Prefiled Testimony | <input type="checkbox"/> Subpoena |
| <input type="checkbox"/> Water | <input type="checkbox"/> Exhibit | <input type="checkbox"/> Promotion | <input type="checkbox"/> Tariff |
| <input type="checkbox"/> Water/Sewer | <input type="checkbox"/> Expedited Consideration | <input type="checkbox"/> Proposed Order | <input type="checkbox"/> Other: _____ |
| <input type="checkbox"/> Administrative Matter | <input type="checkbox"/> Interconnection Agreement | <input type="checkbox"/> Protest | |
| <input type="checkbox"/> Other: _____ | <input type="checkbox"/> Interconnection Amendment | <input type="checkbox"/> Publisher's Affidavit | |
| | <input type="checkbox"/> Late-Filed Exhibit | <input type="checkbox"/> Report | |

RECEIVED

AUG 10 2010

PSC SC
CLERK'S OFFICE

ELLIOTT & ELLIOTT, P.A.
ATTORNEYS AT LAW

~~721 OLIVE STREET~~
COLUMBIA, SOUTH CAROLINA 29205
selliott@elliottlaw.us

SCOTT ELLIOTT

TELEPHONE (803) 771-0555
FACSIMILE (803) 771-8010

August 10, 2010

RECEIVED

AUG 10 2010

PSC SC
CLERK'S OFFICE

VIA ELECTRONIC FILING

Jocelyn D. Boyd, Esquire
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Drive
Columbia, SC 29210

RE: Joint Application of Public Communications Services, Inc. and Global
Tel*Link Corporation to Transfer Assets of Public Communications
Services, Inc. to Global Tel*Link Corporation
Docket No.: 2010- 275-C

Dear Ms. Boyd:

Enclosed please find for filing a Joint Application of Public Communications Services, Inc. and Global Tel*Link Corporation to Transfer Assets of Public Communications Services, Inc. to Global Tel*Link Corporation. By copy of this letter, I am serving the Office of Regulatory Staff.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Sincerely,

Elliott & Elliott, P.A.



Scott Elliott

SE/jcl
Enclosures

cc: C. Dukes Scott, Esq. w/enc.
Lance J.M. Steinhart, Esq.

STATE OF SOUTH CAROLINA
BEFORE THE SOUTH CAROLINA PUBLIC SERVICE COMMISSION

Joint Application of)
Public Communications Services, Inc.)
and Global Tel*Link Corporation)
To Transfer Assets of)
Public Communications Services, Inc.)
To Global Tel*Link Corporation)

Docket No. 2010-275-C

JOINT APPLICATION TO TRANSFER ASSETS

Public Communications Services, Inc. ("PCS") and Global Tel*Link Corporation ("GTL") (PCS and GTL are hereinafter collectively referred to as "Applicants", or individually as an "Applicant"), by their attorneys, hereby respectfully request that the South Carolina Public Service Commission (the "Commission") issue an Order, authorizing PCS to Transfer Assets to GTL as described herein. (the "Transaction").

Applicants are in the process of obtaining all required approvals for the proposed Transaction from both the Federal Communications Commission ("FCC") and all applicable state regulatory authorities, including the Commission. In support of this Application, Applicants provide the following information:

I. Description of the Applicants

A. Public Communications Services, Inc.

PCS is a privately-held California corporation whose principal offices are located at 11859 Wilshire Boulevard, Suite 600, Los Angeles, California 90025. PCS is engaged in the

business of providing managed telecommunications services to inmates of state and county departments of corrections and in owning and operating prison payphones and public payphones. These services enable inmates to communicate with friends, family members, legal counsel and other approved parties outside the correctional facilities. PCS provides these services throughout most of the continental United States. PCS currently holds the following authorization in the State of South Carolina: Certificate of Public Convenience and Necessity to Provide Resold Intrastate Telecommunication Services to Inmates of Correction and Confinement Facilities (Docket No. 2008-135-C granted on June 27, 2008).

B. Global Tel*Link Corporation

GTL is a privately-held Delaware corporation whose principal offices are located at 2609 Cameron Street, Mobile, Alabama 36607. GTL is a wholly-owned direct subsidiary of GTEL Holdings, Inc. GTL is engaged in the business of providing managed telecommunications services to inmates of state and county departments of corrections and in owning and operating prison payphones and public payphones. These services enable inmates to communicate with friends, family members, legal counsel and other approved parties outside the correctional facilities. GTL provides these services throughout most of the continental United States. GTL currently holds the following authorizations in the State of South Carolina: Certificate of Public Convenience and Necessity to Operate as a Reseller of Telecommunications Services (Docket No. 91-070-C issued on April 23, 1992). The Transaction will have no effect on GTL's current rates, terms, or conditions for its managed inmate services in the State of South Carolina.

C. GTEL Holdings, Inc.

GTEL Holdings, Inc. is a privately held Delaware corporation whose principal offices are located at 2609 Cameron Street, Mobile, Alabama 36607. GTEL Holdings is a holding company, whose only business activities are conducted through GTL. GTEL Holdings is a wholly owned direct subsidiary of GTEL Acquisition Corp.

D. GTEL Acquisition Corp.

GTEL Acquisition Corp. is a privately held Delaware corporation whose principal offices are located at 590 Madison Avenue, 41st Floor, New York, New York 10022. GTEL Acquisition Corp. is a holding company, whose only business activities are conducted through GTL. GTEL Acquisition Corp. is wholly owned by GTEL Holding LLC, a privately held Delaware limited liability company whose principal offices are located at 590 Madison Avenue, 41st Floor, New York, New York 10022.

E. GTEL Holding LLC

GTEL Holding LLC is controlled by a board of managers including the CEO of GTL and other managers appointed by The Veritas Capital Fund III, L.P. and GS Direct, L.L.C. The Veritas Capital Fund III, L.P. is a private equity investment partnership managed by its sole general partner, Veritas Capital Partners III, L.L.C., a Delaware limited liability company. Veritas Capital Partners III, L.L.C. is controlled by its managing member, Robert B. McKeon, the managing member of Veritas Capital Fund Management, L.L.C., d/b/a Veritas Capital. Veritas Capital is a private equity investment firm headquartered in New York. Founded in 1992, Veritas Capital invests in a broad range of companies through buyouts, growth capital investments, and leveraged recapitalizations. The firm's primary objective is to partner with experienced management teams to develop leading companies in their respective markets. In

addition to providing long-term capital, the firm works closely with its management partners in creating and executing a well-defined strategic plan that exploits a company's core competencies as well as attractive industry dynamics. Principals at Veritas Capital bring long term investing experience through a variety of economic conditions allowing the firm to apply its skills and capital to a broad spectrum of industries. However, Veritas Capital has developed specific expertise in the defense, aerospace, government services, media/telecommunications, consumer products, and specialty manufacturing industries.

The Goldman Sachs Group, Inc. owns all of the equity interests in GS Direct, L.L.C. All of the limited partner equity interests in Goldman, Sachs & Co. are held directly or indirectly by The Goldman Sachs Group, Inc., and The Goldman, Sachs & Co. L.L.C. controls Goldman, Sachs & Co. as its sole general partner. All of the equity interests (voting and non-voting) in The Goldman, Sachs & Co. L.L.C. are held by The Goldman Sachs Group, Inc., which is a public company listed on the New York Stock Exchange. GS Direct, L.L.C. invests capital primarily alongside corporate and sponsor clients in situations in which access to its or its affiliates' capital, relationships or advisory services can enhance the value of the investment. The Goldman Sachs Group, Inc., a bank holding company, provides investment banking, securities, and investment management services primarily to corporations, financial institutions, governments, and high-net-worth individuals worldwide.

II. Contact Information

Questions and correspondence concerning this Application may be addressed to:

Scott Elliott, Esq.
Elliott & Elliott, P.A.
1508 Lady Street
Columbia, SC 29201

(803) 771-0555 (Telephone)
(803) 771-8010 (Fax)
sellcott@elliottlaw.us (E-Mail)

and

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
1720 Windward Concourse, Suite 115
Alpharetta, Georgia 30005
(770) 232-9200 (Telephone)
(770) 232-9208 (Fax)
lsteinhart@telecomcounsel.com (E-Mail)

Attorneys for GTL

and

James M. Smith
Davis Wright Tremaine LLP
1919 Pennsylvania Avenue, NW
Washington, DC 20006
(202) 973-4288 (Telephone)
(202) 973-4499 (Fax)
jamesmsmith@dwt.com (E-Mail)

with a copy to

Steven M. Siemens
Russ August & Kabat
5959 Topanga Canyon Boulevard, Suite 130
Woodland Hills, CA 91367
(818) 887-7000 (Telephone)
(818) 887-7730 (Fax)
ssiemens@raklaw.com (E-Mail)

Attorneys for PCS

III. Description of the Transactions

GTL and PCS have entered into a Stock Purchase Agreement dated August 5, 2010 (the "Stock Purchase Agreement"). Pursuant to the terms of the Stock Purchase Agreement, GTL will purchase all of the issued and outstanding shares of the common stock of PCS from its

shareholders, which represents 100% of the equity interests in PCS. The expected date of closing is October 31, 2010; however, the closing is subject to obtaining all necessary state and federal approvals of the Transaction. Upon consummation of the proposed transaction, PCS will be a wholly owned subsidiary of GTL. Organizational charts, showing the current ownership structure, and the ownership structure after the transfer is completed, are attached hereto as Exhibit A.

Following the stock purchase, the assets of PCS will be transferred to GTL. GTL plans to operate the companies separately for a period of time, until such time as integration can be accomplished in a transparent manner with no negative effect on end users.

The proposed transaction will provide PCS with greater operating flexibility to pursue operating purposes, including, without limitation, (a) expansion of its telecommunications infrastructure; and (b) improvement of customer service, billing, financial reporting and other management information systems. There will be no impact on PCS's current customers, since the Transaction will be transparent to said customers, and services to PCS customers will continue pursuant to the terms and conditions of its tariff on file with the Commission. In addition, it is anticipated that certain key members of the management of PCS will remain in place after the Transaction is consummated.

IV. Public Interest Considerations

Applicants submit that the Transaction described herein will serve the public interest. Approval of the Transaction is in the public interest because it will advance economic efficiency by enabling GTL to expand its own business and achieve economies of scale. These benefits are

expected to strengthen GTL's ability to expand their offerings and services to a broader customer base in South Carolina. Applicants expect that the transaction will enable GTL to strengthen their competitive position to the benefit of South Carolina consumers and the telecommunications marketplace.

Further, as described above and because of the nature of this particular customer base, the Transaction will be conducted in a manner that will be transparent to customers of PCS. Following consummation of the Transaction, GTL will continue to provide high-quality communications services to PCS customers without interruption and without immediate change in rates, terms or conditions.

Applicants emphasize that the proposed Transaction will be seamless and transparent to PCS's customers, and in no event will it result in the discontinuance, reduction, loss, or impairment of service to customers.

V. Conclusion

For the reasons stated above, Applicants hereby respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application.

Respectfully Submitted,

Global Tel*Link Corporation

By: 

Lance J.M. Steinhart
Lance J.M. Steinhart, PC
1720 Windward Concourse, Suite 115
Alpharetta, Georgia 30005
(770) 232-9200 (Telephone)
(770) 232-9208 (Facsimile)
lsteinhart@telecomcounsel.com (E-Mail)

and

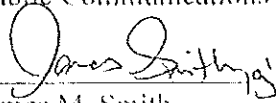
By: 

Scott Elliott, Esq.
Elliott & Elliott, P.A.
1508 Lady Street
Columbia, SC 29201
(803) 771-0555 (Telephone)
(803) 771-8010 (Facsimile)
selliott@elliottlaw.us (E-Mail)

Its Attorneys

Public Communications Services, Inc.

By:

A handwritten signature in cursive script, appearing to read "James M. Smith", is written over a horizontal line.

James M. Smith

Davis Wright Tremaine LLP

1919 Pennsylvania Avenue, NW

Washington, DC 20006

(202) 973-4288 (Telephone)

(202) 973-4499 (Fax)

jamesmsmith@dwt.com (E-Mail)

Its Attorneys

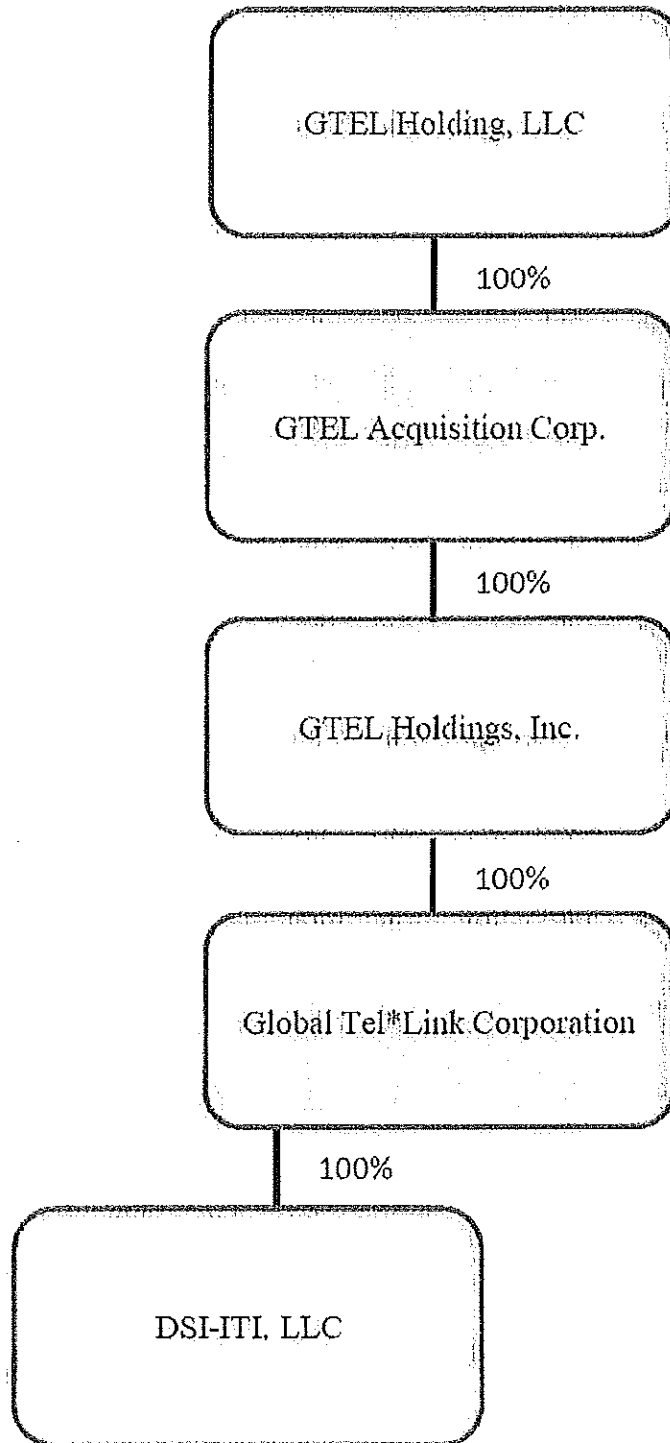
Dated: August 9, 2010

List of Exhibits

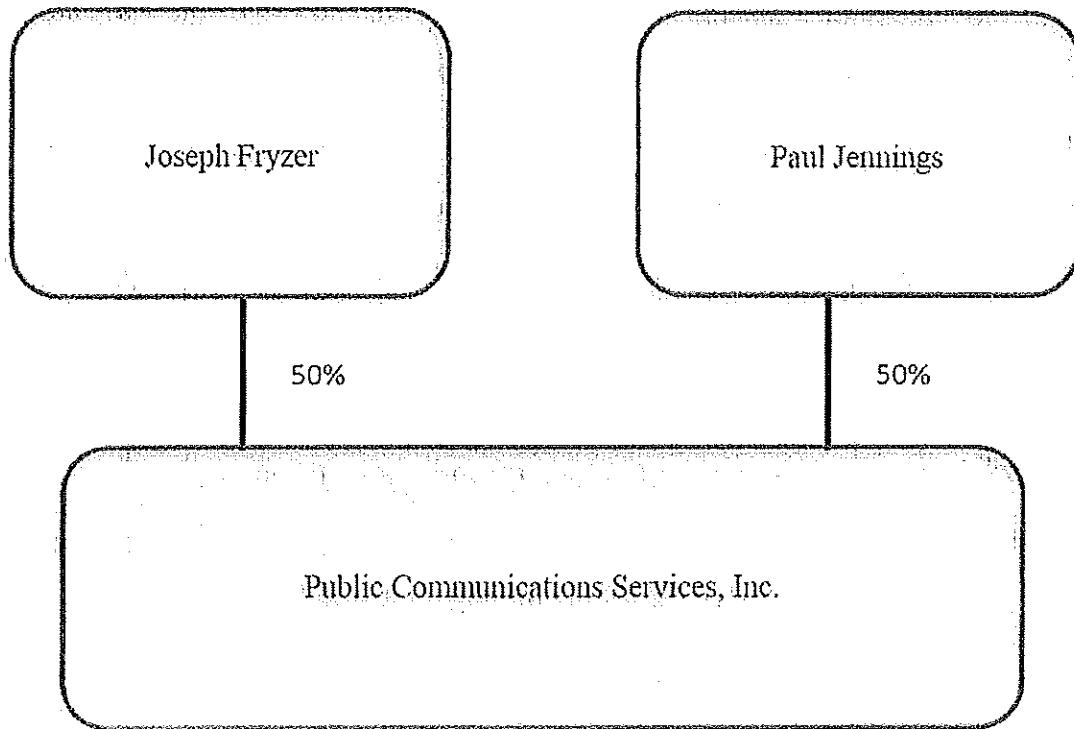
Exhibit A - Organizational Charts

Exhibit A — Organizational Charts

Global Tel*Link Corporation Pre-Transaction Organizational Chart

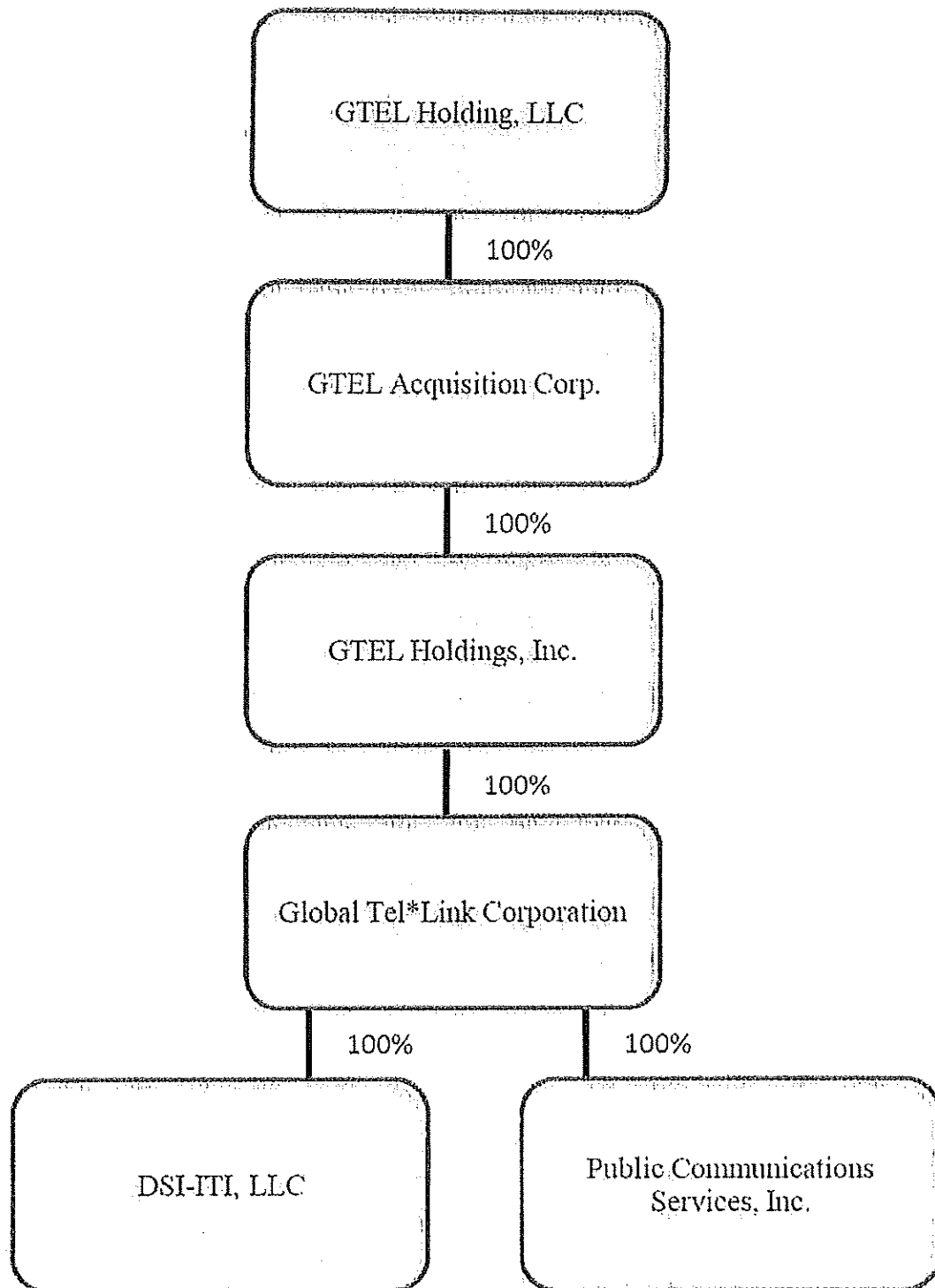


Public Communications Services, Inc. Pre-Transaction Organizational Chart



Global Tel*Link Corporation

Post-Transaction Organizational Chart



Verifications

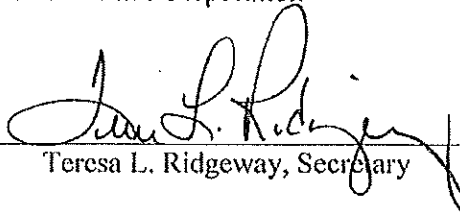
State of Alabama)
)
County of Mobile)

VERIFICATION

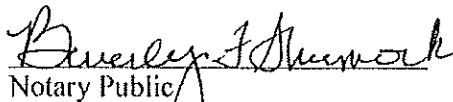
I am authorized to represent Global Tel*Link Corporation and to make this verification on its behalf.

The statements in the foregoing document are true of my own knowledge, except as to matters which are herein stated on information and belief, and as to those matters, I believe them to be true.

Global Tel*Link Corporation

By: 
Teresa L. Ridgeway, Secretary

The foregoing instrument was acknowledged before me this 6th day August, 2010


Notary Public

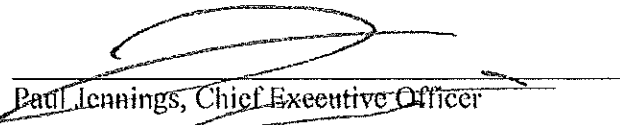
NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: Oct 19, 2013
BONDED THRU NOTARY PUBLIC UNDERWRITERS

State of California)
)
County of Los Angeles)


VERIFICATION

I am authorized to represent Public Communications Services, Inc. and to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to matters which are herein stated on information and belief, and as to those matters, I believe them to be true.

Public Communications Services, Inc.


Paul Jennings, Chief Executive Officer

The foregoing instrument was acknowledged before me this 5 day August, 2010


Notary Public

SC



CERTIFICATE OF SERVICE

The undersigned employee of Elliott & Elliott, P.A. does hereby certify that she has served below listed parties with a copy of the pleading(s) indicated below by mailing a copy of same to them in the United States mail, by regular mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

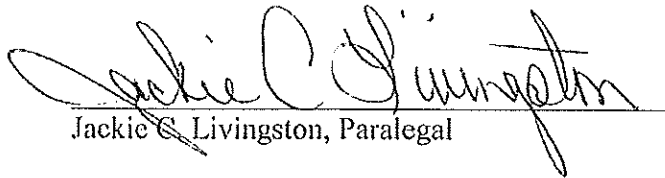
RE: Joint Application of Public Communications Services, Inc.
and Global Tel*Link Corporation to Transfer Assets of
Public Communications, Inc. to Global Tel*Link
Corporation

DOCKET NO.: 2010-

PARTIES SERVED: C. Dukes Scott, Esquire
Office of Regulatory Staff
P. O. Box 11263
Columbia, SC 29211

PLEADING: APPLICATION

August 10, 2010


Jackie C. Livingston, Paralegal